SM

SALES MERCHANDISER

Season's Greetings
December 1992

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Camel &
Camel Cash

CAMEL CASH
North Pole Division

Shopping Basket
Analysis

SALES DEPARTMENT
R.J. REYNOLDS TOBACCO CO.

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

memo

"1992—A Foundation of Progress"

In terms of productivity, 1992 can be characterized as a year that brought out the very best in our great sales organization. You were asked to contribute much, and your accomplishments made a difference in the continued progress of our business.

A lot of good things happened. You embraced Account Specific Marketing as a concept that will grow our business. You regained the leadership role in the savings category. Our total cigarette volume is up versus a year ago. Our market share in October was the highest it has been since mid-1990, and has shown steady growth since April.

You introduced Winston Select, gaining 93% distribution in Key, A, and B calls. Your effort behind the Winston brand family at retail has slowed its rate of decline by 50% over last year. You introduced Camel Wides at 92% distribution and executed Camel Cash at retail. Camel's share continues to grow, and this edition of the Sales Merchandiser speaks to the brand's success in more detail. These are solid full-price achievements.

At mid-price, we gained 2.16 share points from January through October making us the fastest growing company in this segment. Meeting an intense competitive challenge, we revised our tactics on Doral, and you came through again, executing the Doral buydown successfully. Sterling continues to improve its performance in the mid-price category.

In the low-price tier, Monarch is setting a fast pace. Our share of the low category grew by 7.7 share points through October. Forsyth Products now distributes 29 private label brands to wholesalers and major chains across the country.

The year also produced a serious threat to our merchandising presence, and you executed Total Category Management brilliantly. You successfully defended our carton business while making significant progress on improving our package position.

Military had a great year, too! A Military Business Unit was formed, and additional military managers were positioned in the field. Through the third quarter, our military business is up by 2.01 share points.

As we move ahead into 1993, I ask that you make a commitment to build on the foundation of progress we made this year. We cannot just say that full-price brands are our top priority, we must demonstrate it at retail. Skeptics say that you can't build full-price business in today's environment. My answer is you can, *provided* you have superior marketing strategy backed by highly motivated men and women who can identify opportunities at retail and capitalize on them. We have both.

You should be very proud of your accomplishments this year. I know I am, just as I am convinced that your role as decision maker in your calls gives us a powerful competitive edge.

On behalf of your entire sales and marketing support team here in Winston-Salem, I extend to you and your family best wishes for a happy holiday season.

Sincerely,

Yancey W. Ford, Jr.
Executive Vice President, Sales

ON THE COVER:
Camel Cash delivers with the right program at the right time.

SALES MERCHANDISER

SALES MERCHANDISER is published six times a year for sales employees of R.J. Reynolds Tobacco Company.
Group Manager-
Sales Communications ..... John Olenick
Sales Communications
Assistant ..... Charlotte Woody
SALES MERCHANDISER offices are located in the Reynolds Building, 5th Floor. Winston-Salem, N.C. 27102. Telephone (919)741-6429.

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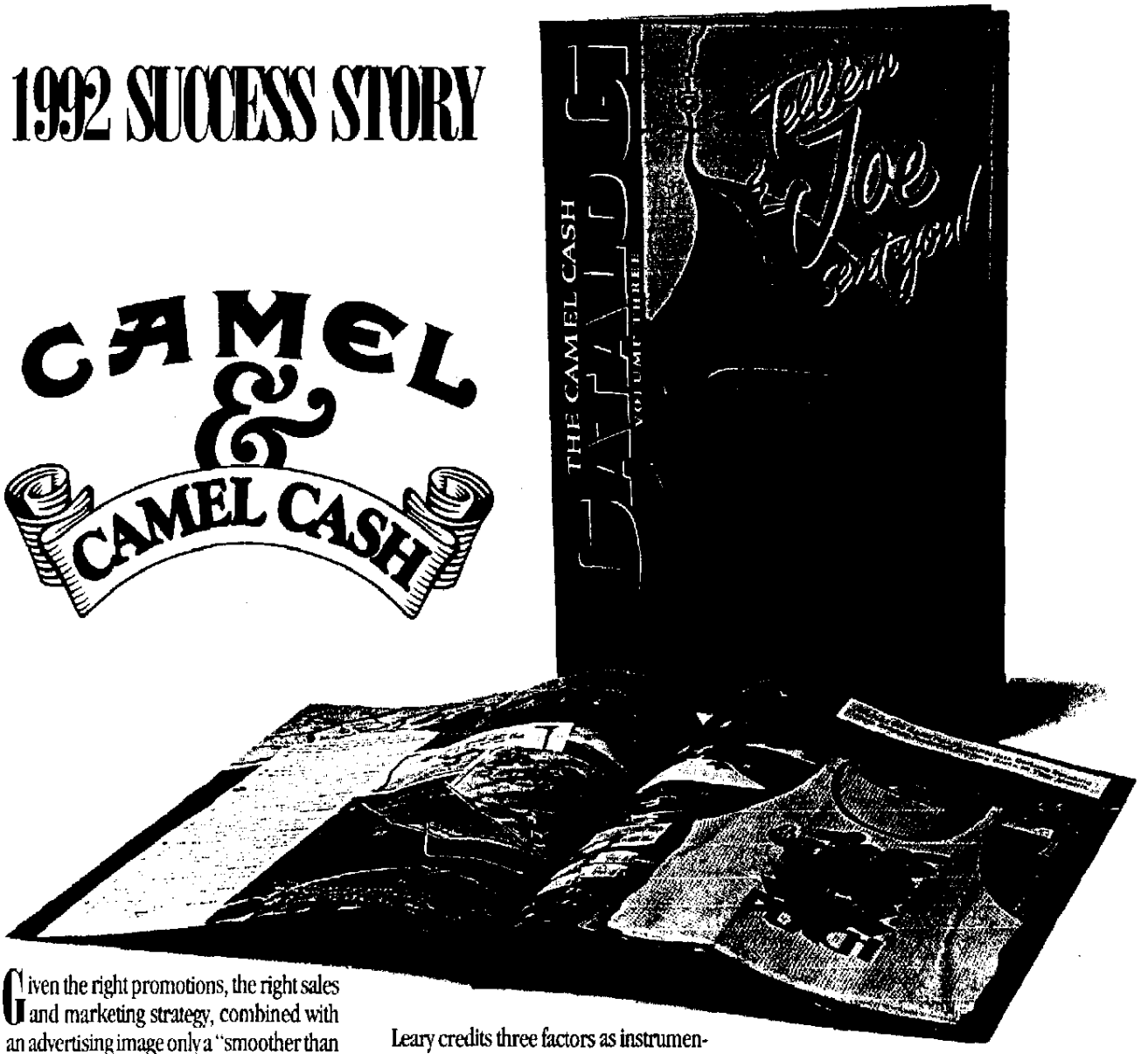
1992 SUCCESS STORY

CAMEL & CAMEL CASH



Given the right promotions, the right sales and marketing strategy, combined with an advertising image only a "smoother than smooth" character can provide, Camel has proven that a full-price brand can grow in a business where volume is currently shifting to lower price.

Camel's extraordinary performance this year may very well position the brand, and its unique Camel Cash promotion, as the industry's success story of the year.

"In every measure, Camel has had a great year," says Ned Leary, senior marketing manager for Camel. "Volume and share are up, our share of full-price is up, but even more important, we gained a larger share of adult smokers across a very broad age group."

Camel's first-half performance was nothing short of tremendous, according to Leary. "The brand simply ran by the rest of the industry, making 1992 a record-breaking year for Camel."

Leary credits three factors as instrumental to Camel's momentum: Camel Cash; Camel's December 1991 B3G2F promotion, worked simultaneously with Cash Catalogs at retail; and the successful introduction of Camel Wides. "These events all took place within a six-month time period, and that's when Camel really took off," said Leary. "This positive performance is a classic example of what can happen when effective strategies are coupled with superior field sales execution. It's a dynamite combination."

While field sales shares the spotlight with Camel's marketing strategists for contributing to the brand's success story, trade journalists view the Camel Cash promotion as a success story in itself. One journalist praised the promotion by stating, "R.J. Reynolds has put together the best overall marketing campaign any of us has ever witnessed, read about, or dreamed of."

This reaction to Camel Cash by marketing experts delights the Camel group because, according to Leary, "conventional marketing know-how maintained that our target adult smokers would not save C-Notes, but we proved that theory wrong."

Camel boasts more occasional adult users than any other RJR brand. Indeed, if "Old Joe" and in-store promotions were responsible for drawing adult smokers to Camel, then Camel Cash is the glue that makes the business stick. One-third of all adult smokers collecting C-Notes claimed a competitive brand. The good news is that 50 percent of these smokers have switched while playing Camel Cash.

The appeal of Camel Cash seems to transcend all of the adult age or gender limitations often associated with continuity promo-

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

tions. "We've demonstrated that the Camel imagery, applied to a wide array of high-quality premiums, is a powerful motivator for adult smokers of all ages and both sexes," said Leary. "In fact one-half of C-Note savers are adult females, which means there is still a lot more potential for Camel."

To date, six million premiums have been shipped in Camel Cash I and II. The first promotion performed above anyone's expectations, making it difficult to keep up with the orders. A fulfillment group was formed in Winston-Salem to speed up the process, which resulted in a 94 percent consumer satisfaction rate and premiums shipped within 15 days of receiving the order.

For C-Note savers, however, the best is yet to come–the introduction of Camel Cash III plus the current Triple Cash promotion. "Our research shows that adult smokers are excited about the premiums we are offering in Camel Cash III," said Leary, "and we're giving them the opportunity to save C-Notes faster than ever with Triple Cash."

From a sales perspective, Camel Cash builds volume more effectively than pack or carton premiums, and, in an increasing competitive environment, greater efficiency is a potent competitive advantage. "Also, less efficient retail offers no longer have to shoulder the entire burden of delivering the highly desired premiums to our growing adult consumer base," said John Ellegate, sales manager for the Camel Business Unit. "Instead, retail promotions now serve as a point of entry to Camel Cash." Ellegate points out that 60 percent of Marlboro smokers who participate in Camel Cash become involved because of the Catalog they found on one of our retail promotions. That fact alone speaks to the value of consistent availability of the Catalogs in retail outlets. "But we know that randomly placed Catalogs can vanish in a couple of days," said Ellegate. "Smokers can take them, by the handful, and I'm not discounting their removal by competitive reps."

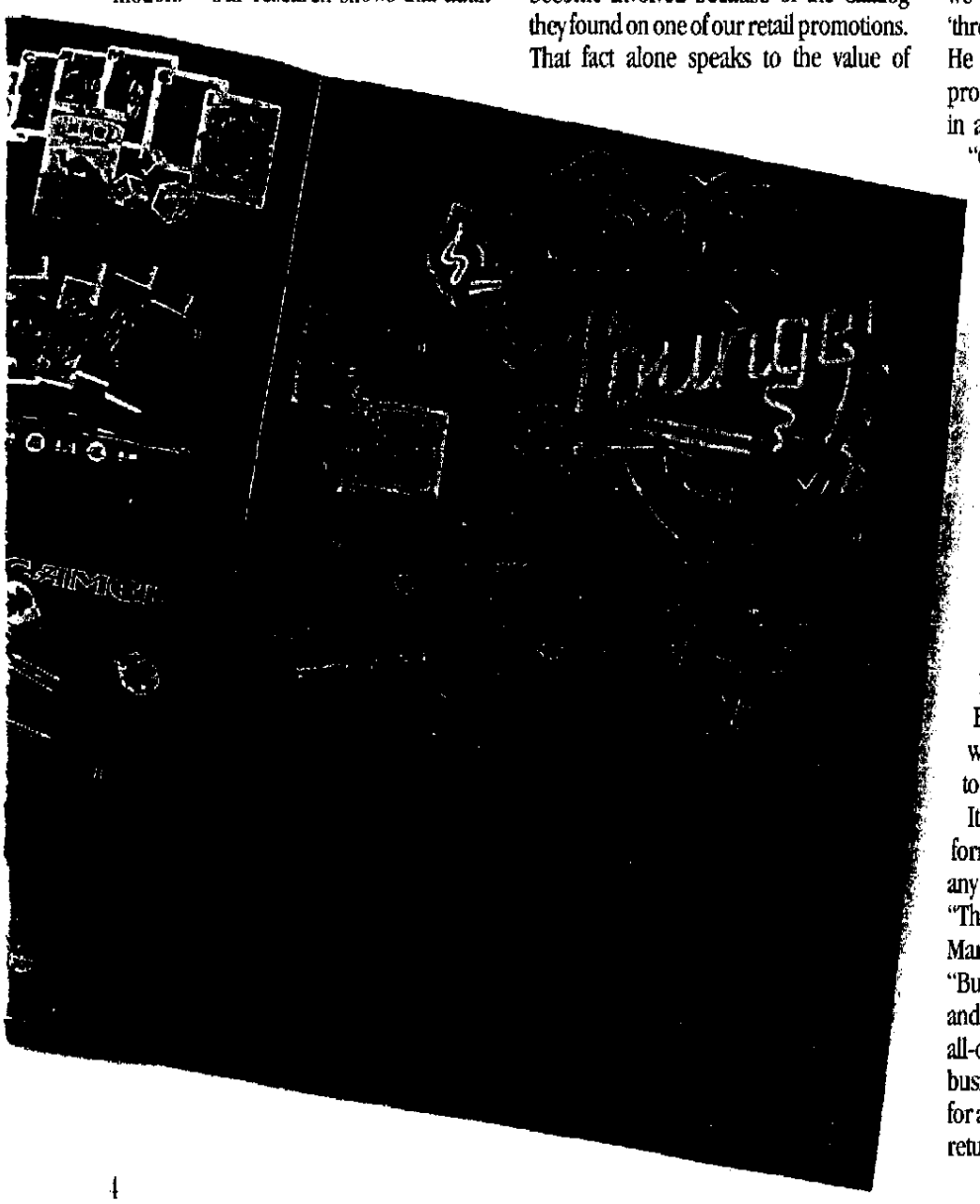
To help extend Catalog availability, easel cards will be produced to cover one-fourth of the Catalog shipments. They invite smokers to ask for a Catalog from the retailer. "The key here is for the sales rep to get the retailer to cooperate in the distribution of Catalogs to adult competitive smokers in selected calls," Ellegate said. "We're also sending Catalogs directly to retailers, again asking for their assistance in distribution."

Ellegate also emphasized the importance of retailers understanding the Triple Cash promotion. "Triple Cash is working, but we must let retailers know that there are 'three-spot' C-Notes in Camel filtered packs." He encouraged sales reps to explain the promotion and place the associated P-O-S in all of their calls.

"Camel Cash has done an outstanding job converting adult competitive smokers to Camel," Ellegate said. "However, we know that our major competitor is extremely concerned about losing business, and they will try their best to copy Camel Cash with their Marlboro Adventure Team."

"But the initiative, the momentum, is in our favor, if we realize how important Camel Cash is to the Camel brand and to RJR as a whole. PM is going to throw everything at us, so it's up to field sales to really keep up their good work at retail, by keeping Cash Catalogs and P-O-S everywhere they can," Ellegate stressed. "We simply have to win at retail by not allowing PM's program to get a solid footing."

It is often said that imitation is the best form of flattery. In the cigarette business, any measure of success breeds imitation. "That's exactly what PM is doing with the Marlboro Adventure Team," Ellegate said. "But we've got the advantage with Joe Camel and over a year of learning. If we add an all-out effort by the best sales force in the business, PM and their team will be headed for an adventure from which they may never return."



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Vendors Cash in on CAMEL CASH

Just when vendors are really beginning to feel the squeeze of sagging cigarette machine sales, here comes Joe Camel with a smooth promotion especially for them and their adult vending customers.

The promotion, to begin in January, is simple in concept but unique to the vending industry. It delivers an additional two Camel Cash C-Notes, placed by the vendor with packs of Camel filtered product styles, purchased from vending machines located in adult-oriented establishments. Together with the C-Note already inserted in a Camel pack, the promotion gives the smoker three C-Notes, or Triple Camel Cash, and three good reasons to choose Camel in vending machines.

"I believe this is the first true vending promotion ever," says Jack Regan, national manager, vending/trade programs. "It will enable vendors to offer a great Camel promotion directly to their adult customers."

The program concept was first tested in four regions in 1990 and 1991 by using a business reply card, placed by the vendor on Camel packs offering adult smokers a Camel T-shirt. Vendors involved in the test increased their total cigarette sales 3.1 percent at a time when sales were dropping at a rate of 12 percent per year. Camel sales rose 110 percent which caught the attention of Regan and Charlie Davis and Ned Leary in the Camel Business Unit. Regan, together with John Ellegate, sales manager for the Camel Business Unit, worked together to develop the promotion P-O-S.

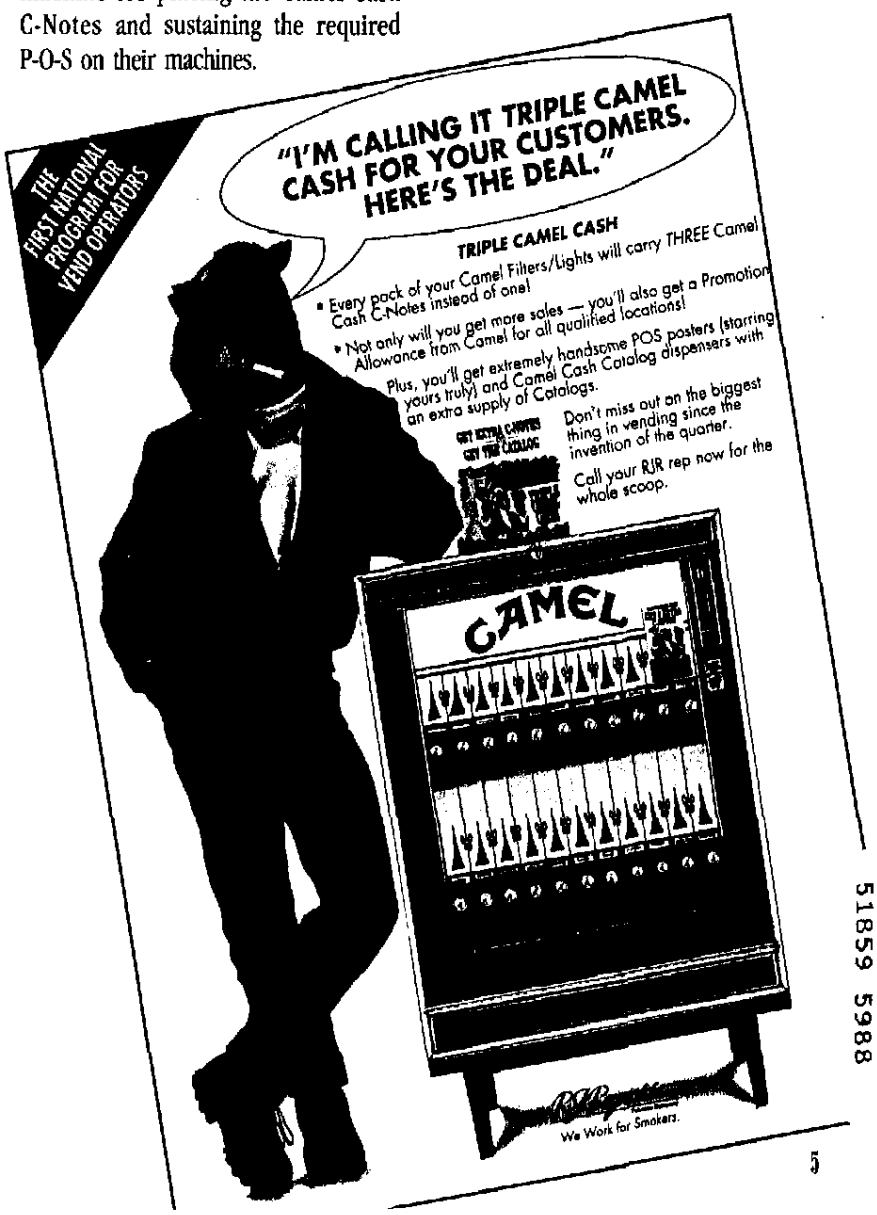
"When Camel came up with the C-Note promotion, it was a natural for vendors," said Regan, "because it is easy for vendors to implement and requires minimum involvement by the field. Once the program is presented, sold by the field, and vending locations are qualified, their part is essentially over, and we handle the details of sustaining the promotion."

Regan and Frank Vestal developed the presentation kit for vendors, giving them all the information and materials to start the promotion. It includes P-O-S for the vendors' machines, plus an initial supply of C-Notes with forms to order additional C-Notes and materials as required. In addition, a special holder for Camel Cash Catalogs was designed especially for vending machines.

To qualify for the promotion, vendors must maintain three styles of Camel Filter/Lights products, one of which must be Camel Hard Pack. Machines will be qualified by using Tru Check or Data Vend information. Vendors will be paid $10 per machine for placing the Camel Cash C-Notes and sustaining the required P-O-S on their machines.

"I think it's important to note that we will not offer this promotion in machines accessible to the general public," Regan said. "We will target machines in private clubs, lounges, and workplace environments not accessible to minors."

Regan feels that the Camel Cash vending promotion will be enthusiastically accepted nationwide. "It's a great opportunity for vendors to cash in on the success of Camel, plus it gives us a potential of 50,000 vending machine outlets promoting Camel products exclusively. That's an exciting concept!"



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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

News FROM THE BBUs

As a continuing section in the Sales Merchandiser, the sales managers assigned to the Brand Business Units offer the following news items from the brands.

Bill Duffy - Winston

The dynamics that drive our business have continuously changed in 1992. To compete in this environment, flexibility was given to the field to do what was necessary to build and protect our business. As usual, creative and innovative programs evolved, from the initiative taken by field managers and representatives, to create truly effective promotions on Winston at retail.

The retail buydown is one example. Implemented initially as a program to defend against our competitors' promotion, the buydown (similar to a VPR, but less labor intensive to implement) incrementally impacted Winston's volume in numerous chains and independent accounts.

Tony Varde, SCAM in Pittsburg, obtained outstanding results recently with Revco by utilizing the availability of retail buydown programs. Total Winston pack sales increased 12.3 percent, Winston carton sales increased 119 percent, and both styles of Winston Select increased in sales over 140 percent! Additionally, the chain committed to producing the P-O-S and the retail implementation of the program, saving time and money for RJR. These joint ventures can be extremely effective and efficient in both protecting our franchise and gaining competitive trial.

Flexibility in doing what it takes to build our full-price business is also reflected in the initiative the field is taking with consumer offers. The consumer offer, is the most targeted, effective promotion we offer as a company. It has been utilized in innovative ways to convert adult smokers face-to-face. With the introduction of Winston Select, we encountered a communication issue with consumers understanding what Select was all about. To communicate the "Select story," many divisions placed a renewed emphasis on consumer offers to get a pack of Winston Select in the hands of adult competitive smokers. Divisions have run weekly store sales in high-volume accounts throughout all assignments with outstanding results. Individuals have utilized creativity and rapport in their retail accounts, collecting thousands of competitive packs for trial of an RJR full-price pack. These are just a couple of examples of effective promotional initiatives at retail!

As we move into 1993, the Winston Business Unit is very encouraged by the creativity of field sales in building our business. Continued use of chain co-op buydowns and innovative ways to build our full-price business will continue to eat away at the cowboy's volume.

Cathy Bisese - Salem

Salem's new marketing position invites adult smokers to relax, lighten up, and Escape to the FreshSide. This new posi-

OPEN LINE
COMMENTS QUESTIONS SUGGESTIONS

QUESTION:

Why is it that the Home Office has eliminated call count as a SIAP requirement, but on a local level we are given goals on calls per day and 90 percent coverage? This makes the current heavy workload even heavier and works against many things we are trying to achieve.

REPLY:

The rationale behind the elimination of call count and coverage requirements against our Sales Incentive Award Program was to get away from rewarding individuals for activities and basic job accountabilities. We are now on a "Pay for Performance" journey, rewarding individuals for significant business results. We also are empowering all employees to make sound business decisions which will positively impact our business.

Local management has the flexibility to establish goals based on business needs and priorities. If management feels call count and coverage is a priority, he/she has the authority to make those decisions. If this subject is of concern, it should be discussed while establishing individuals' MBO's, so mutually fair, but stretch, objectives can be established.

QUESTION:

I see a need to base our 1993 merchandising contracts on full-price volume, as well as low-price volume. With the increase in total cigarette outlets, our volume of low price is very high. However, our payments for full price may be more than what we need.

REPLY:

A task force has been selected to evaluate all RJR merchandising contracts. During this evaluation, we will address how our contracts can be reconfigured to better address today's sales mix, including compensating retailers for full-price volume performance and low-price volume performance.

COMMENT:

It's a mistake for us to unilaterally cut

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tioning is addressed to smokers in the 21-34 age group. The "Escape to the FreshSide" campaign will be introduced nationally at retail in 1993. Your workplan and promotional P-O-S/PDI will be the FreshSide campaign visuals. Reports from the campaign lead market divisions in Cleveland and Columbus, Ohio and Raleigh, N.C. are very favorable toward the FreshSide campaign. Retailers are attributing increased sales for Salem to the new campaign.

John Ellegate - Camel

Camel's momentum is growing. The brand has three major initiatives going: Camel Cash (featured in this edition of Sales Merchandiser); Camel base family with Joe Camel, the Hard Pack, and aggressive retail promotions; plus Camel Wides.

Since Camel offers the only Wides cigarette, adult smokers, who become loyal to the brand, stay with it. Research shows that Camel Wides is developing a strong base of adult smokers, particularly in the Mid-Western and North Central sales areas where the brand's share exceeds a national share of .43.

Wides sell well in full-flavor markets, and every opportunity to gain additional trial should be exploited in these markets. There is also a good opportunity to build the brand's business in supermarket calls by using the $1.25/two-pack coupon. Participation in the double Camel Cash promotion on Wides was very good, and the field should capitalize on this interest by placing about one-third of their Triple Cash two-pack offers on Wides styles.

Considering that Camel Wides had only two months introductory support, its performance thus far is commendable. By aggressively seeking every opportunity to gain trial at retail, and, thereby expanding Wides' base of loyal adult smokers, the sales force plays a key role in keeping the Camel momentum going.

Stan Driskell - Vantage/More/Now

Vantage will focus its efforts on updating the brand's image to a more modern and contemporary look for today's adult smoker. In 1993, Vantage Ultra Light Convertible Box 83's and 100's will be available in 27 of 32 regions nationally. Convertible Box is an excellent follow-up to APET and appeals to adult competitive smokers to give them another tangible reason to "take a new look at Vantage."

More will focus its efforts and resources toward building on the success of its strong direct marketing program. Franchise and competitive mailings will capitalize on adult smokers in the stylish brands segment. Expansion of the White Light 120's and Beige 100's into PMSA will further strengthen More's presence. Retail support will be focused regionally in areas of More's strength. All of this will capture what is truly a "uniquely More" experience.

Like More, Now will take a regional approach in its retail support. Also, Now will use direct marketing, FSI's, and carton inserts to capture the adult smoker in the ultra low tar category.

Barbara Simkins - Savings

In 1992, RJR assumed the leadership position in the Savings segment. Meeting consumer demand for low-price brands, the field sales force did an excellent job selling Forsyth private label products and reducing prices on Doral, Magna, and Sterling through buydowns, coupons, and VPR's.

Our objective for 1993 is to make sure that everyone understands the role of Savings brands to RJR's total business and that we manage the Savings category from a leadership position. Our strategy hasn't changed, so it's very important that we implement our Savings strategy in every call. Look for a comment reply in the Open Line section below for a review of our strategy.

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promotional support on Doral in calls where we would give our competitors a price edge. This move saves short-term budget, but jeopardizes future market share.

REPLY:

(Editor's Note: This comment gets to the essence of our savings strategy and requires a more detailed explanation which we are happy to provide.)

There has been no "unilateral cut (in) promotional support for Doral," nor are we as a company interested in saving "short term." As clarification, our strategy is:

- Where appropriate/possible establish a Forsyth brand as the "Everyday Low-Price" brand. Do not coupon Doral/Magna/Sterling down to a Forsyth brand in the store.
- Branded savings (Doral/Magna/Sterling) should be priced at *parity* to *key* branded savings competition.
- Coupon values should be established on a market-by-market basis.
- Do not price down Magna/Sterling/Doral to competitive private label or black and white brands. There may be exceptions, but these should be discussed with your division manager.

Now that we have Forsyth brands, we do not need to chase the lowest brands in each store with Doral/Magna/Sterling. Not only is this not profitable, but it drives our competitors to higher coupon values, which lowers both RJR's as well as industry profits. This is *not* a change in strategy. We set out to do this in '92 and now we can.

We must attempt (periodically) to get coupon values down or dead net prices up. When we do this, it is *not* a strategy change, it is taking a volume risk to get profits up. It works *if* competitors follow. If competitors don't follow, then we must match again *quickly*. As sales people you must understand that this "lead net prices up then match again quickly if necessary" is not a strategy or direction change. It is what a category leader must do!

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

Smokers Spend More Says Supermarket Study

A recent research study provides an in-depth look at the importance of cigarette sales to supermarkets.

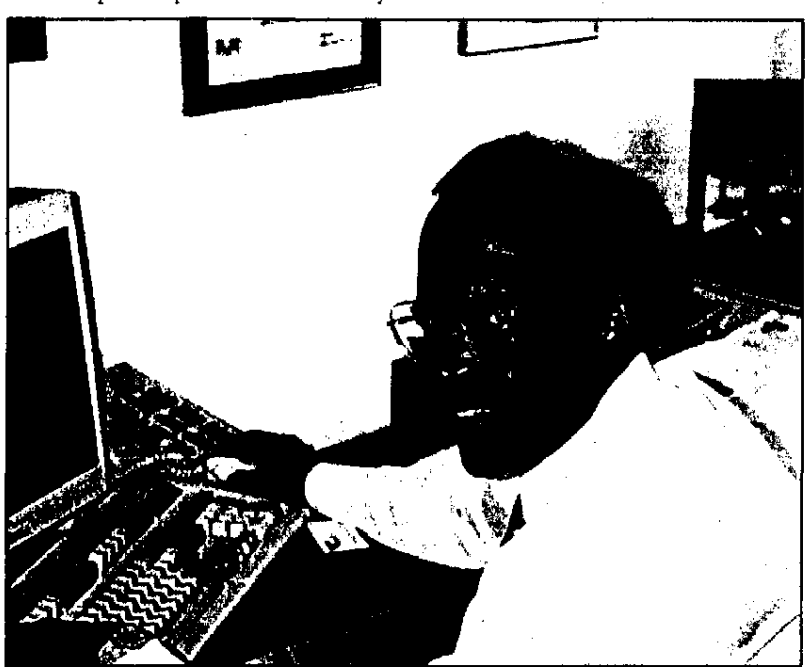
"We all know that cigarettes stimulate additional consumer spending," said Steve Qualkinbush, national manager, information analysis/sales applications and former chain accounts manager, "but, to my knowledge, we never approached a study to determine what smokers spend, versus non-smokers in supermarkets, or if smokers of Reynolds brands spend more than those smoking Philip Morris brands."

So, Qualkinbush initiated a Shopping Basket Analysis through the company's Business Information Analysis Department. The analysis was completed by BIAD managers Connor Kennedy and Lynn Dube who used an independent research company to gather the data.

The key points of the study conclude that smokers spend 13 percent more than non-smokers on an average shopping trip. Smokers spend 70 percent more when they buy cigarettes than when they do not. Furthermore, on cigarette shopping trips, RJR brand smokers spent 11 percent more than PM brand smokers. Plus, the study indicated that RJR brand smokers were more likely to purchase cigarettes on shopping trips (27.7 percent) compared to PM (18.5 percent).

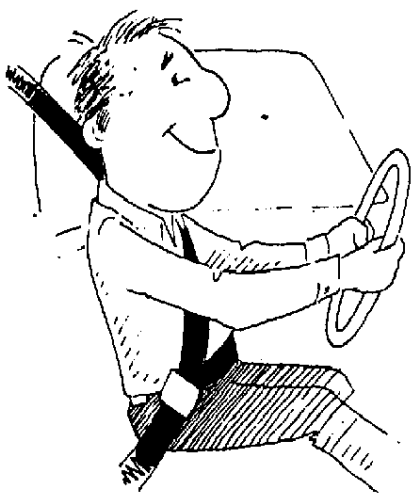
The study was conducted in 17 markets nationwide and 35,000 households that included 9,000 smoker households. "This supermarket study is just as relevant for neighborhood independents as it is for major chains," said Qualkinbush. "It is information that could be useful to everyone in the field, from a sales rep on up."

Qualkinbush used the technology available in the Computer Assisted Presentation System (CAPS) to compile the market basket analysis data for a major chain presentation. It is included as a supplement with this edition of Sales Merchandiser.



Steve Qualkinbush initiated the Shopping Basket Analysis and used CAPS technology to develop field presentations.

What's So Hot About Seat Belts? They Work.



It's that simple. People who wear seat belts have a 45 percent better chance of surviving a serious traffic accident. And they have a 50 percent better chance of surviving without severe injuries.

When you are in a collision, seat belts protect you by absorbing the forces of the crash. Instead of smashing into the dashboard or windows, you are restrained in your seat by your seat belt. Think of yourself as a tightrope walker. If you slipped, would you rather have your fall broken by a sheet of glass or steel, or by a soft safety net? In an accident, your car seat is your lifesaving safety net, and your seat belt helps keep you in it.

The second important thing seat belts do is help you stay in control of your car. Belts help reduce the risk that you are knocked unconscious or are thrown from your seat. You remain in charge.

Third, if others are in your car, seat belts help keep them where they belong. The last thing you need in an emergency is to have the occupants colliding into each other or you.

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

A SHOPPING BASKET ANALYSIS

How Important Are Cigarette Sales to Supermarkets?

How Many Dollars Do Smokers Spend During Buying Trips?

Are Other Sales Lost When Smokers Purchase Cigarettes Elsewhere?

Do Increased Cigarette Sales Mean Increased Shopping Basket Sales?

Do The Brands Consumers Smoke Have Any Relationship to Dollars Spent?

R.J. Reynolds Tobacco Company

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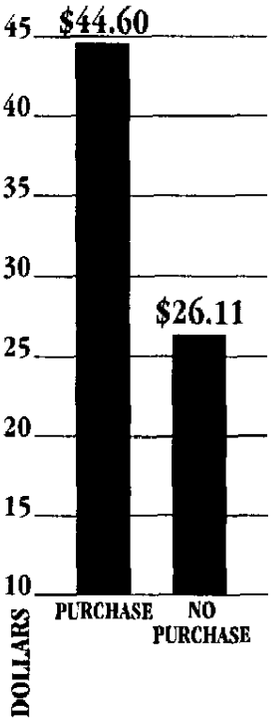
Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

CONSUMERS SPEND MORE

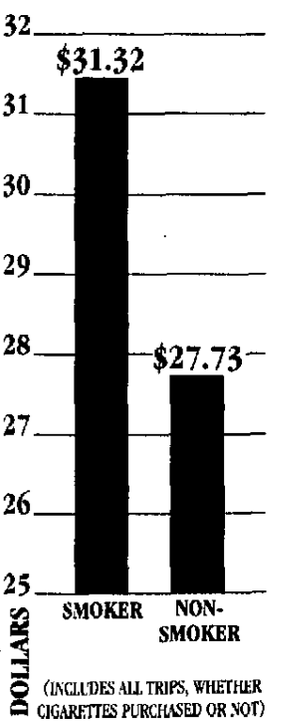
CIGARETTES CONTRIBUTE INCREASED DOLLARS

SMOKERS SPEND 70% MORE WHEN THEY PURCHASE CIGARETTES.



CIGARETTE SMOKERS SPEND MORE THAN NON-SMOKERS

OVERALL, SMOKERS SPEND 13% MORE THAN NON-SMOKERS PER SHOPPING TRIP.



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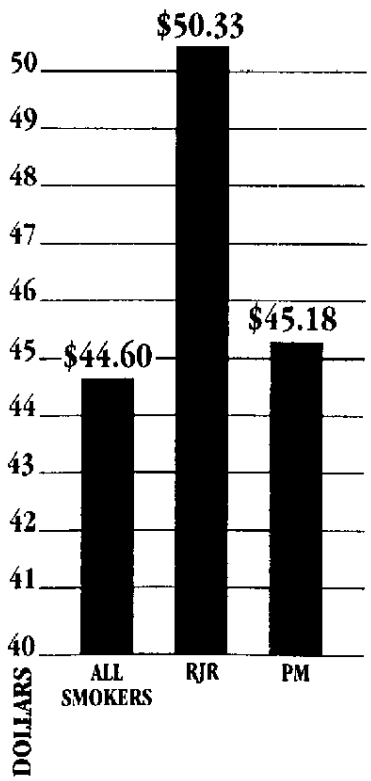
Source: https://www.industrydocuments.ucsf.edu/docs/jmfn0000

WHEN BUYING CIGARETTES

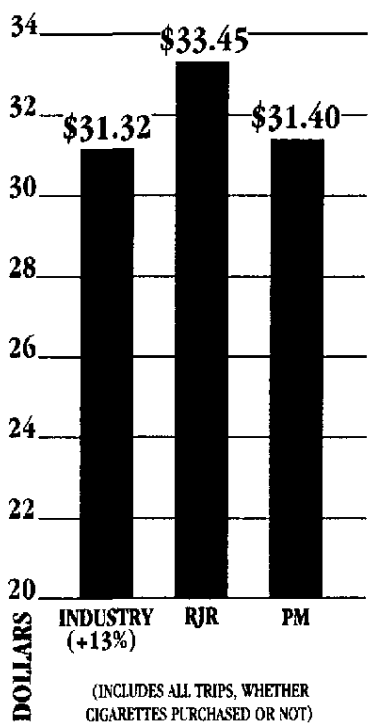
RJR SMOKERS CONTRIBUTE ADDITIONAL DOLLARS

AVERAGE DOLLARS SPENT PER SHOPPING TRIP IN SUPERMARKETS WHEN CIGARETTES ARE PURCHASED.



THE AVERAGE SHOPPING BASKET OF RJR SMOKERS IS:

11% HIGHER THAN PM
12% HIGHER THAN THE INDUSTRY AS A WHOLE.



(INCLUDES ALL TRIPS, WHETHER CIGARETTES PURCHASED OR NOT)

IRI SHOPPING BASKET ANALYSIS OCT. 1992

Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

SUMMARY & RECOMMENDATIONS

Cigarettes Are a Primary Source of Additional Revenue.

Proper Presence, Distribution, Promotion, and Pricing Can Significantly Increase Sales.

The Fact That Cigarette Consumers Purchase Cigarettes Only Slightly More Than 25 Percent of the Shopping Trips Presents an Opportunity:

- **Attract Those Consumers Who Are Cross Shopping at Other Outlets.**
- **Ensure Existing Customers Are Purchasing Their Cigarettes at Your Store to Increase Overall Shopping Basket Purchases.**

Lost Sales of Cigarettes Result in Lost Sales of Other Products and Lost Profitability Beyond That of the Cigarette Category Alone.

RJ Reynolds
Tobacco Company

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

On Target

Free Packs For Empties Successful Camel Promotion

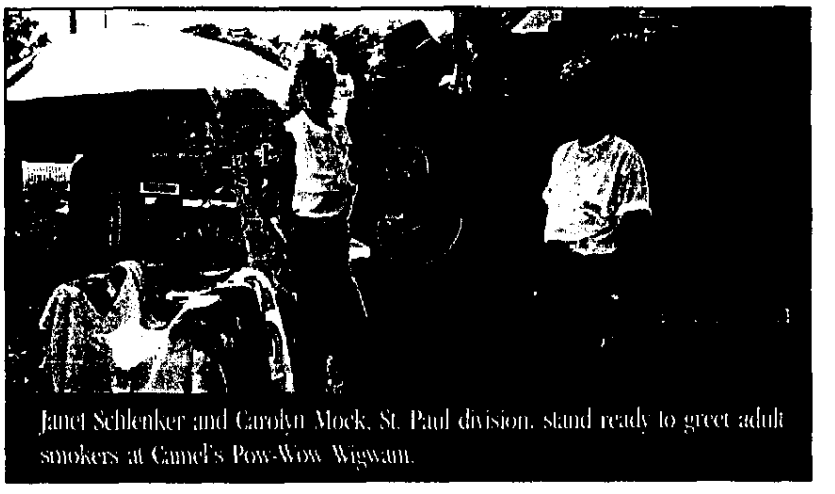
"Watch out Charles, you're losing some," said Greenville, S.C., Division Secretary Pat Rogers, who snapped the photo of Area Sales Representative Jennings stuffing empty Camel packs in his van.

Sales promotions come in all varieties: coupons, premiums, and B1G1F's. They are directed to adult smokers to gain trial and build volume.

Retail Representative Charles Jennings of the Greenville, S.C., division, came up with a new twist for a Camel promotion and received his manager's approval to test the idea. His promotion, conducted at a Landmark Convenience Store, offered smokers two free packs of Camel for 10 empty packs. The eight-week promotion started off slow, but, after the second week, the empty packs started pouring in...5,000 to be exact.

While Marlboro became a distant #2 seller as a result of the promotion, Camel sales increased by 60 percent. Jennings maintains exclusive advertising at Landmark.

Pow-Wow in Minnesota Nets 81 Percent RJR Share



Janet Schlenker and Carolyn Mock, St. Paul division, stand ready to greet adult smokers at Camel's Pow-Wow Wigwam.

The St. Paul, Minn., division believes in empowering people to use their creativity in building RJR's business. The results are impressive.

Area Sales Representative Carolyn Mock and Senior Area Sales Representative Janet Schlenker, for example, teamed up to capture 81 percent of the cigarette business generated at Treasure Island Casino's annual Pow-Wow on a Welch, Minn., Indian reservation. The representatives provided the promotional tent and P-O-S, and the reservation agreed to buy down all RJR full-price and savings brands for the three-day event. A total of 5,381 cartons were sold; 32 percent were full-price brands. All competitors combined sold only 1,232 cartons.

After the big Pow-Wow, Retail Representative Clint Pullin left his mark on another local event, the Farmington Marts "Mountain Dew Days." He went after the full-price business with targeted use of PDI, displays, and premium promotions.

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

On Target

Camel, Winston Promoted at Covington Races

Wherever there is full-price business to be gained, the Covington, Ky., division is right on top of it.

First, there was the Easy Rider Bike Rodeo held Labor Day weekend. The division used its opportunistic budget to obtain 3,960 Camel "Born to be Smooth" T-shirts which were worked at retail prior to the event. The promotion sold an additional 26 cases of Camel product. During the three-day racing event, 1,650 adult smokers' names and addresses were taken for the Camel mailing list.

Then, on September 12, the division turned its attention on Winston during the Freedom 40 Outlaw Race at KC Raceway. The race sponsor paid to have the track logo printed on the pocket of 1,300 Winston racing T-shirts, which were ordered as part of the division's workplan. In addition to the extra sales generated by the Winston T-shirts, the division also collected 526 adult smokers' names for the Winston list.

Division Manager Lucinda Sheer credits her managers and Area Sales Representative Tom Thomasson for taking advantage of these local-event opportunities.

Reps Wear "Fast Track Shoes"

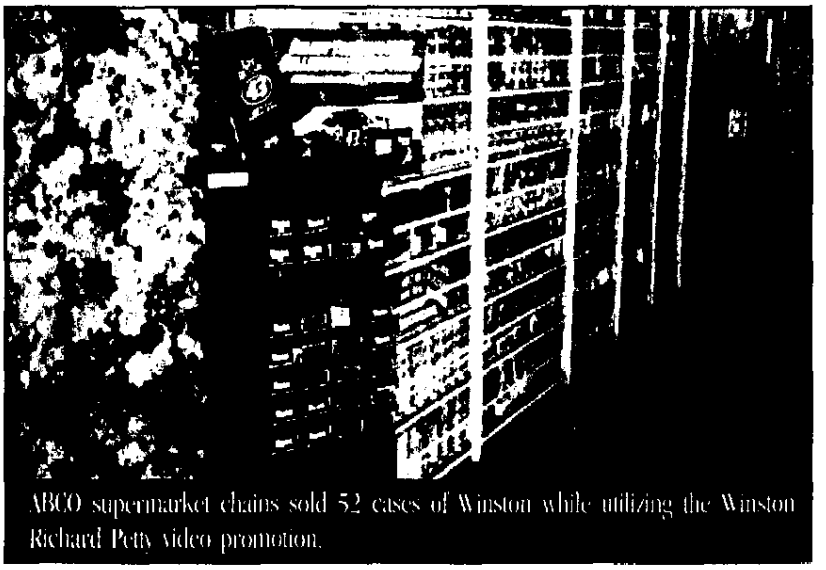
RJR has strong presence during Art Festival in West Harrisburg.

The Art Festival held each year in Central Pennsylvania draws thousands of people for this one-week event. Area Sales Representative Scott Waltenbaugh and Robin Hurlbert, promotional specialist in the West Harrisburg district, put on their "fast track shoes" and made sure RJR was well represented at retail. Together, they joined forces in placing over 4,000 full-price and savings pack coupons and 140 pieces of P-O-S/PDI. To support this promotion, 2,000 Camel Cash Catalogs and 30 temporary Camel displays were placed. Sales results were outstanding, with a total of 1,200 cartons of cigarettes sold.

Tucson Race Brings Sales Opportunity

Special events created sales opportunities for enterprising and energetic sales reps in the Tucson, Ariz., division, as they held an ABCO Food Night at the races. They demonstrated how teamwork and dedication can make the most of an opportunity and increase presence in this supermarket chain. Results were overwhelming as reps placed additional product and display in all ABCO stores. A "whopping" total of 52 cases of Winston were sold to consumers utilizing the Winston Richard Petty video promotion.

Division Manager Ed Lenehan and Area Sales Representative Brett Williams teamed up to add a Winston booth at the race, offering adult consumers a free racing t-shirt with a four-pack purchase, resulting in outstanding sales.



ABCO supermarket chains sold 52 cases of Winston while utilizing the Winston Richard Petty video promotion.

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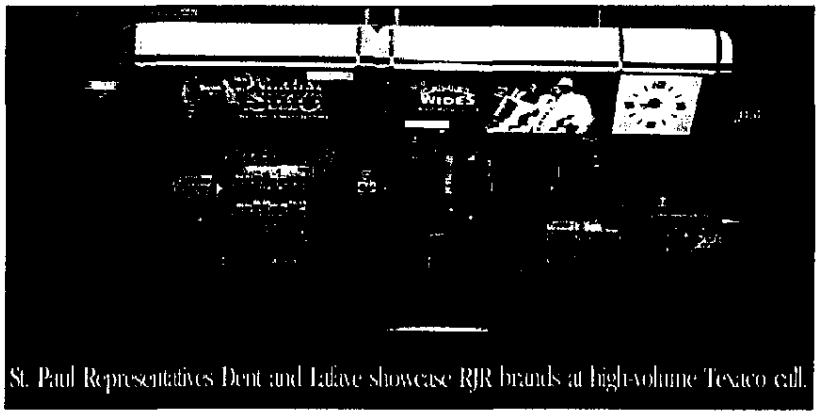
Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

Persistence is Key

Persistence was the "key" to achieving volume objectives in a Bruno store notorious for not allowing placement of any tobacco company displays. Area Sales Representative Charles Carter, of the Panama City, Fla. division, showed us how it's done in promoting full-price brands in a Bruno's store. Carter worked closely with the Coors distributor and store management to come up with an endcap display featuring Winston beach towels, along with cases of Coors.

"Through dedication such as this, the Panama City division, the North Florida region, the South Atlantic sales area, and the company will surely achieve our 1992 volume and share objectives," stated South Atlanta Sales Area Vice President Jim Best.

"Rookie" Representatives On Target



St. Paul Representatives Dent and Lafave showcase RJR brands at high-volume Texaco mill.

Retail representatives Brenda Dent and Mike Lafave, of the St. Paul, Minn., division, have less than one year of experience under their belt, but they attack competition with the know-how of seasoned veterans.

Recently, the two reps teamed up to sell RJR's Preferred Presence to a high-volume Texaco Food Mart in Waseca, Minn., a PM stronghold. They presented their case to store management, pointing out the strengths of RJR merchandising, and walked away with a commitment to install an RJR enhanced overhead, PCD, CCD/EUD, and a floor promotion display–all at the expense of competition.

Eagle Soars In Syracuse

Chris Schwartz, retail representative in the Syracuse, N.Y., division, has the Winston Select eagle flying high in his stores.

Using his resources and ingenuity, Schwartz targeted six of his high-volume Marlboro calls to show what he could do for Winston Select. At Mike Market, for example, Schwartz made contact with 200 adult Marlboro smokers, asking them to try Winston Select. He increased Select orders in that store from one to 10 cartons per week. Again, at Food Bag, he personally talked to 150 adult Marlboro smokers and boosted Select orders from one to five cartons per week.

"The Marlboro Smoker is ready for a change," Schwartz stated, "and we are ready to deliver with Winston Select."

Beach "Cleanup" Weekend Offers Work and Play

The Eastern North Carolina division offers division personnel the opportunity to enjoy a beach weekend together, plus do some business for RJR.

Using Local Opportunity money, the division rented a beach house and invited all to enjoy it for a weekend. During their stay, they targeted eight high-volume retail calls to promote RJR brands and to reach as many adult smokers as possible. Not only did they have a great time, they contacted 1,400 adult smokers through Consumer Mission and pre-booked 7,460 cartons of product for retail promotions.

Division personnel participating in the "Cleanup" weekend were: Ken Higgins, Charles Jennings, Wendy Horne, Gil Timberlake, Leamon Capps, Don Grout, Buddy Baker, Martin Page, Marlene Dixon, Hunter Raiford, and David Gray.

Hurry Up in Harrisburg, PA

Sales reps in the Harrisburg division have a hurry-up attitude when it comes to building RJR's full-price and savings share.

Winston was the hurry-up brand targeted for full-price growth as the division moved quickly to place 66 floor displays featuring the Winston Cooler promotion. One rep, Fran LaFrance, placed six displays, one of which was positioned next to a Seagram's Cooler display. That tie-in helped sell out her display in a matter of days.

Is Harrisburg ready to slow down? Not until RJR is Number One, we're told.

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

News Briefs

Winston-Salem Secretaries/Assistants Help Local United Way

The Marketing/Sales Council, consisting of 67 secretaries/assistants in the RJR Marketing and Sales Department, is an organization developed to build morale, provide cross-communication, and promote superior performance within their individual job functions. The council performs many company-specific activities and community services.

Among these activities was a recent fund-raising drive held by members of the council, promoting the "Vote Joe" Campaign '92 premium items, at Whitaker Park, Tobaccoville, and Reynolds/Plaza buildings. The cost of these items was recovered for the Camel Business Unit, with profits donated to the Winston-Salem Rescue Squad.

A check was presented to the Winston-Salem Rescue Squad for $5,000, with a combined matching grant from the State of North Carolina. The staff expressed their appreciation and stated that "these additional monies will enable the Winston-Salem Rescue Squad to purchase much-needed heavy equipment."

Marketing/Sales Council presents check for $5,000 to the Winston-Salem Rescue Squad.

Convenience Stores Put RJR in Supplier "Hall of Fame"

More than 700 retailers, manufacturers, and suppliers joined Convenience Store News, at the National Association of Convenience Stores' annual convention, to celebrate the induction of RJR into the Convenience Store Industry's "Hall of Fame."

RJR was voted into the "Hall of Fame" by popular vote of Convenience Store News' retailer venders. "They are very knowledgeable of the convenience store business. They know what will sell in my stores," said one retailer.

The president of a large chain in the northeast noted that Reynolds Tobacco was one of the first companies to "take a gamble" on the C-store industry when it was in its infancy. "Reynolds," he said, "was a true partner in the industry, creating programs specifically for C-stores before other consumer goods companies took a chance on the industry."

Commenting on the induction, RJR's Tom Trader, director, trade relations, credited the sales force for making it possible. "This is a tremendous honor for the Sales Department and a compliment to the hard work and dedication of our field sales team," Trader said.

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

Savings Contest Winners Announced

Earlier this year, the Savings Business Unit announced a contest to stimulate creative ideas in the field on how to improve the merchandising and price communication of savings brands. The contest was called "Ideas That Sell Savings Smokes."

The top prize in each category was a division party funded by the Savings Business Unit, plus a CD player for each full-time person in the division from which the winning entry was selected. All who submitted entries received a crystal ash tray.

After reviewing over 100 entries from the field, it became clear that promotions had emerged as a third category, in addition to merchandising and price communications. So, it was decided to award prizes in three categories.

In the merchandising category, there were two winners. Rory O'Rourke, division manager, North Jersey division, presented a way to merchandise Sterling and Magna packs on the counter using a modified strike-zone concept. The second winning division for merchandising was North Chicago, on the strength of an idea submitted by Area Sales Representative Kraig Knudsen. Knudsen made a strong case for using a "suction cup" display for savings packs to gain presence and space in inner-city locations.

Winning in the price communication category for his division was Area Sales Representative Gary Rosonet, of the Baton Rouge, La., division. He carefully sketched out, in detail, a permanent sign that can be used on the existing CCD. The sign would eliminate riser cards and provide a permanent method of communicating the promoted and non-promoted price of savings brands.

The Las Vegas division pulled together their resources and submitted a host of creative promotion concepts for savings brands which gave them the award in the promotion category.

The Savings Business Unit extends its thanks for all those who made a contribution to keeping RJR the leader in the savings category. The ideas submitted will receive careful consideration based on cost consolidation and ease of implementation.

Jap Spencer received Quality Mart's "Vendor of The Year" award.

Spencer Named "Vendor of the Year"

In recognition of his quality service and the Partnership Selling Program developed for the Quality Mart chain, J. P. (Jap) Spencer received the chain's "Vendor of the Year" award.

Spencer, who is special accounts manager in the Winston-Salem division, also received a $500 Local Performance gift certificate from Division Manager Frank Armstrong.

Camel P-O-S in Czechoslovakia?

On a recent trip to Germany, retired Rockford, Ill., Division Manager J. M. Bullman decided to make a side trip to Czechoslovakia. As he drove through the country, the failures of communism were evident everywhere. But enterprising new "capitalists" were also seen selling cigarettes stacked on tables along the highways.

In one small town, he noticed a lone Camel sign hanging above a store. How it got there, or who put it there, was a mystery. Bullman thinks that some enterprising RJR sales rep must have been there before him and seized the opportunity to get exclusive advertising for Camel. Bullman also noted that "the Cowboy was nowhere in sight."

J. M. Bullman discovered a lone Camel sign on a recent trip to Czechoslovakia.

Have a Safe Holiday!

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Source: https://www.industrydocuments.ucsf.edu/docs/tmfn0000

PROMOTIONS & APPOINTMENTS

Michael McCarrick has been promoted to chain accounts manager in the Riverside, Calif., chain division. McCarrick joined the company in 1983 as a sales representative in the San Jose, Calif., division. He was promoted to division training and development manager in the San Jose, Calif., division in 1986. In 1987, he was appointed to special accounts manager in the Phoenix, Ariz., division and, later that year, was named special resource manager. He was promoted to division sales manager in the South Denver, Colo., division in 1988.

Jacqueline McLaurin has been promoted to manager, retail presence, in the Home Office Merchandising Department. McLaurin joined the company in 1980 as a sales representative in the Charlotte, N.C., division. In 1985, she was promoted to assistant division manager in the Greenville, S.C., division, where she also held the positions of training and development manager and special accounts manager.

Kevin Meek has been promoted to division manager in the East Cleveland, Ohio, division. He was special accounts manager in the Lansing, Mich., division.

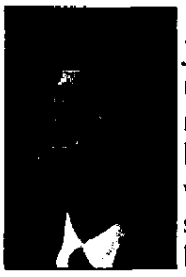
Mark Goring has been promoted to division manager in the St. Paul, Minn., division. He was training development manager in the Evansville, Ind., division.

Collins Jordan has been promoted to division training and development manager in the Queens, N. Y., division. He was retail representative in the New Haven, Conn., division.

Brent Hunter has been promoted to special accounts manager in the North Atlanta, Ga., division. He was area sales representative in the Raleigh, N. C., division.

Timothy Swoope has been promoted to special accounts manager in the Charleston, W.Va., division. He was area sales representative in the North Pittsburgh, Pa., division.

Sharon Harris has been promoted to special accounts manager in the South Phoenix, Ariz., division. She was area sales representative in the San Gabriel, Calif., division.



John Borjeson, Jr. has been promoted to special accounts manager in the Columbia, S.C., division. He was area sales representative in the Columbia, S.C., division.

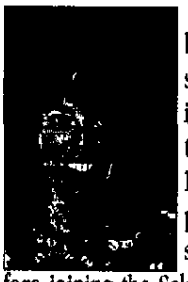
Brady Norman has been promoted to special accounts manager in the Fresno, Calif., division. He was area sales representative in the Las Vegas, Nev., division.

Steven Wolfe has been promoted to military sales manager in the Seattle, Wash., military division. Wolfe was area sales representative in the South Seattle, Wash., division.

David Thoensen has been promoted to military sales manager in the St. Louis, Mo., military division. Thoensen was area sales representative in the North Chicago, Ill., division.

Scott Zaleskin has been promoted to special accounts manager in the South Jersey division. He was area sales representative in the West Philadelphia, Pa., division.

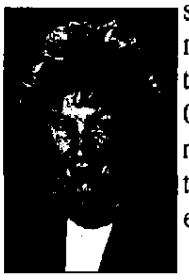
Stephen Walsh has been promoted to assistant division manager in the Birmingham, Ala., division. He was area sales representative in the Daytona Beach, Fla., division.



Sharon Korczyk has been promoted to sales systems manager, information systems, in the Home Office Sales Department. She was program analyst III, wp systems operations, before joining the Sales Department.

Jennifer Pierre has been promoted to manager tracking/evaluation, sales promotions, in the Home Office Sales Department. She was manager, retail promotion operations.

Lynne Smith has been promoted to assistant manager fulfillment, sales promotions, in the Home Office Sales Department. She was assistant manager tracking/evaluation.



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Karen Giddens has been promoted to senior promotion assistant, sales promotions, in the Home Office Sales Department. She was promotion assistant.

Jeanne Tilley has been promoted to manager brand promotion operations, sales promotions, in the Home Office Sales Department. She was assistant promotion manager.

TO DIVISION TRAINING AND DEVELOPMENT MANAGER

Raymond Noonan, Jr.
South New Jersey, division
Rosalyn Little
North Atlanta, Ga., division
Ronald Evans
Columbia, S.C., division
Jeffrey Jandes
Fresno, Calif., division
M. C. Kennedy
Sacramento, Calif., division

TO SECRETARY, FIELD SALES

Judy Crowley
Washington, D.C., division
Carol Zehnder
North Seattle, Wash., division
Patricia May
Los Angeles, Calif., division

TO EXECUTIVE ASSISTANT

Katie Plowman
Sales/Marketing Personnel
Karen Williams
Savings Business Unit

TO ADMINISTRATIVE ASSISTANT

Lynn Lawrence
Camel Business Unit
Connie Cherry
Winston Business Unit
Vanessa Perry
Information Systems

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RJR

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